



County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

September 11, 2003

Board of Supervisors
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Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

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Fifth District

To: Supervisor Yvonne Brathwaite Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

STATE LEGISLATIVE UPDATE

Workers' Compensation Conference Committee

The Conference Committee adopted a reform package that is estimated to achieve one-time savings of \$5.3 billion, and \$4.9 million to \$5.6 billion in ongoing savings. Many of the County's key priorities are part of the package such as repeal of the physician presumption of correctness, and indexing payments to Medicare. CAO Risk Management is reviewing the package to estimate the impact on the County. The package is expected to be taken up Thursday or Friday of this week.

Health Care Conference Committee

The Health Conference Committee passed **County-supported SB 2 (Burton)**, an employer mandate bill that is projected to cover more than 1 million uninsured. The bill staggers the effective date for employers to "pay or play" with large employers (200 or more employees) starting January 1, 2006, medium businesses (50 to 199 employees) on January 1, 2007, and small employers (20 to 49 employees) contingent upon enactment of a tax subsidy. Employers with 19 or less workers are exempt. There are a series of provisions that attempt to coordinate implementation with public programs, and prevent the loss of funds to safety net providers. The Conference Committee also passed a companion bill, AB 1528 (Frommer), that creates a State commission charged with developing recommendations on health care quality improvements and cost containment.

Recall Election Costs

Our Sacramento Advocates and the Registrar-Recorder have learned that an agreement has been reached among Secretary of State Kevin Shelley, Senator John Burton, and Senator Tom Torlakson to fund one-half of the counties' recall election costs. A current vehicle for this funding is SB 407 (Torlakson) which would reduce State education costs an estimated \$40 million by requiring a permanent ERAF transfer from certain enterprise special districts, primarily, water districts. SB 407 is double-joined to AB 421 which would amend the sales tax-property tax swap to give local governments the option of having their annual backfill payments tied to the change in either sales or property tax collections. AB 421 is awaiting action in the Senate.

Pursuit of County Position on Legislation

County-opposed, unless amended, AB 231 (Steinberg), which would have repealed the requirement of statewide fingerprint imaging to determine eligibility for CalWORKs and Food Stamps, was amended in the Senate on September 8, 2003. The provision deleting the use of the Statewide Fingerprint Imaging System (SFIS), which the County opposed, was removed from the bill. In its current form, AB 231 would align the method counties use to calculate the value of exempt personal property in determining Food Stamps eligibility with Federal law and grant counties the flexibility to exempt a household from face-to-face interview requirements for food stamps at application and recertification.

In the March 20, 2003 State Update, where we indicated our position on AB 231 as opposed unless amended to remove the provision ending the use of SFIS, we supported the other provisions of AB 231. AB 231 allows counties to exempt the value of one vehicle in determining eligibility for Food Stamps. Support for this provision is consistent with existing policy to "support legislation to exempt the full value of one vehicle per household, and/or a greater portion of a vehicle's value from the CalWORKs and Food Stamp vehicle asset limit to ensure that clients have dependable transportation". The Department of Public Social Services (DPSS) is supportive of this provision of the bill even though they would prefer that it also apply to CalWORKs eligibility determination.

In addition, DPSS indicates that the provision in AB 231 to clarify the process by which households qualify for exemption from the face-to-face interview at application and recertification, would not create a caseload or workload impact. DPSS indicates that the objectionable provision of AB 231 has been removed and is supportive of AB 231. Support for AB 231 is consistent with existing policy as indicated above. **Therefore, our Sacramento Advocates will support AB 231.** This measure was passed by the Senate on September 9, 2003 and was sent to the Assembly for concurrence with the Senate amendments.

AB 1313 (Parra), regarding registration of sex offenders, was amended on September 8, 2003 to include the language contained in County-supported AB 1314 (Parra). AB 1313 would now extend the sunset date of Megan's Law from January 1, 2004 to January 1, 2007. AB 1313 would also bring California law into compliance with Federal law by authorizing campus police to release printed information regarding the presence of a registered sex offender on campus to members of the campus community. **Therefore, our Sacramento Advocates will support AB 1313.**

AB 1313 is supported by the State office of Criminal Justice Planning (Co-sponsor); State Attorney General's Office (Co-sponsor); Secretary of the State Department of Education (Co-sponsor); Board of Governors of the California Community Colleges; California District Attorney's Association; California Probation, Parole and Correctional Association; California Sexual Assault Investigators' Association; and others. There is no opposition on record. AB 1313 awaits action in the Senate.

AB 1362 (Kehoe) was amended on September 8, 2003 to extend compensation disability benefits under Section 4850 of the Labor Code to provide police officers, sheriffs, or firefighters with a tax-free, two-year leave of absence without loss of salary, in lieu of temporary disability for a work-related injury. Existing law provides for a one-year tax-free leave of absence. The prior version of AB 1362 authorized public agencies to establish wage deduction programs on behalf of domestic partners for tax-qualified, deferred-compensation programs.

Opposition to AB 1362, as amended on September 8, 2003, is consistent with existing policy to oppose legislation that mandates or authorizes compensation or benefit changes without approval of the Board of Supervisors, and opposition to the original version of AB 136 (Kehoe), which would have provided firefighters with a tax-free, two-year leave of absence without loss of salary, in lieu of temporary disability for a work-related injury. **Therefore, our Sacramento Advocates will oppose AB 1362.** This measure is currently awaiting a vote in the Senate.

AB 1587 (Committee on Public Employees and Retirement), as amended on September 4, 2003 would prohibit 1937 Retirement Act Counties from adopting any retirement benefits changes that would not apply to all members, and modify the Meyers-Millias-Brown Act relating to the negotiation of retirement benefits.

CAO Compensation and Benefits indicates that AB 1587 would restrict the County's flexibility in setting wages and benefits by prohibiting different retirement benefits for different employee groups. Additionally, the proposed changes to Myers-Millias-Brown would require the County to negotiate retirement benefits before adoption for all employee groups. Under the proposed language, for example, it is unclear if the Board could have implemented the recently adopted survivor benefit coverage for domestic partners prior to negotiating with labor organizations. **Because SB 1587 unnecessarily diminishes the County's flexibility in this area, our Sacramento Advocates will oppose AB 1587.**

AB 1587 is sponsored by the Service Employees International Union (SEIU) and has the support of American Federation of State, County and Municipal Employees (AFSCME), California Independent Public Employees Legislative Council and, Retirement Employees of Los Angeles County, and is opposed by the State Department of Finance. It is currently in the Assembly after passing the Senate on September 9, 2003 by a vote of 23 to 14.

SB 1043 (Committee on Budget and Fiscal Review), which was introduced as a spot bill, was amended in the Assembly on September 9, 2003. SB 1043 appropriates \$900,000 from the Harbors and Watercraft Revolving Fund to the State Department of Parks and Recreation for allocation to the County as a one-time match for the operation of Castaic Lake. The bill also requires convening a Castaic Lake Task Force, with members representing the Resources Agency, the State Departments of Parks and Recreation, Water Resources, and Boating and Waterways, as well as two members appointed by the Board of Supervisors and two members from the boating public. The task force is to make recommendations to the Board of Supervisors and the Legislature no later than April 1, 2004 on long-term financing plans to ensure the continued operation of Castaic Lake. The bill requires a 2/3 majority to pass. It is currently on third reading in the Assembly. On June 23, 2003, the Board endorsed County efforts to secure State funding to continue operation of Castaic Lake. **Therefore, our Sacramento Advocates will support SB 1043.**

Status of County-Interest Child Welfare Legislation

County-supported AB 380 (Steinberg) is now a two-year bill. This measure would require the restructuring of the Children's System of Care program to include children's outcome measurements and would require that the \$69 million included in the State Budget for the AB 3632 program be used exclusively for the support of county mental health services.

County-supported AB 408 (Steinberg), which seeks to ensure that no child be emancipated from the foster care system without a connection to a committed and caring adult, by requiring social workers to make additional reports at various times throughout the dependency process regarding efforts to identify and maintain a child's relationship with individuals who are important to the child, was amended in the Senate on September 9, 2003.

The previous version of the bill targeted foster children placed with non-relatives, but the amendments change this to foster children placed in a group home. The amendments also double-join AB 408 to: 1) AB 579 (Chu), which requires child services agencies to provide notice of court hearings to certain known siblings of the foster child; 2) County-supported AB 490 (Steinberg), which seeks to ensure all students in foster care have the opportunity to meet the same academic standards as other students; 3) AB 1151 (Dymally), which provides that the *Terrell R.* decision does not change the standards of liability and immunity for injuries to children in foster care that existed prior to that decision; and 4) SB 591 (Scott), which provides caregivers with

a broader range of information pertaining to their foster children. AB 408 passed the Senate by a vote of 40 to 0, and now proceeds to the Assembly for concurrence in Senate Amendments.

County-supported AB 458 (Chu), which provides that foster children (and persons providing care and services to foster children) have the right to fair and equal access to all available services, placement, care, treatment and benefits, and protection from discrimination or harassment on the basis of actual or perceived race, ethnic group identification, ancestry, national origin, color, religion, sex, sexual orientation, gender identity, mental or physical disability, or HIV status, was signed by the Governor on September 8, 2003. This measure becomes effective on January 1, 2004.

County-supported AB 490 (Steinberg), which seeks to ensure that all students in foster care have the opportunity to meet the same academic achievement standards as other students, and are placed in the least restrictive educational program with access to the same academic resources and services as other pupils, was amended in the Senate on September 8, 2003.

The amendments eliminate the provision that authorized disputes on the educational decisions of the pupil to be brought before the juvenile court, require that a pupil in foster care attend programs operated by the local educational agency while granting the person holding educational rights for the pupil discretion over these matters, and require that the person holding educational rights for the pupil to first consider placement in the regular pupil school before a juvenile court school. In addition, the amendments conform AB 490 with County-supported AB 408 (Steinberg), by requiring the case plan for foster children to include specified information.

Furthermore, AB 490 requires information regarding any court-ordered visitation between the child and the natural parents or legal guardians, and the terms and conditions needed to facilitate the visits while protecting the safety of the child, to be provided to the child's out-of-home caregiver as soon as possible after the court order is made, including information regarding the schedule and frequency of the visits between the child and siblings. AB 490 is now double-joined to: 1) County-supported AB 408 (Steinberg), which seeks to ensure that no child be emancipated from the foster care system without a connection to a committed and caring adult; 2) AB 1151 (Dymally), which provides that the *Terrell R.* decision does not change the standards of liability and immunity for injuries to children in foster care that existed prior to that decision; and 3) SB 591 (Scott), which provides caregivers with a broader range of information pertaining to their foster children. AB 490 passed the Senate today by a vote of 27 to 8 and now proceeds to the Assembly for concurrence in Senate amendments.

County-opposed AB 1141 (Diaz), which would make agency shop agreements applicable to confidential and supervisory employees, was signed by the Governor on August 9, 2003.

County-supported AB 1676 (Dutra), which would require the blood of a pregnant woman that is currently drawn to test for blood type and hepatitis B, to be tested also for the Human Immunodeficiency Virus (HIV) unless the woman refuses, passed the Senate on September 9, 2003 by a vote of 40 to 0, and now proceeds to the Assembly for concurrence in Senate amendments.

County-opposed SB 18 (Burton), which would create a procedure in the California Environmental Quality Act for the Native American Heritage Commission to determine if a proposed project adversely changes a traditional tribal cultural site, passed the Assembly Natural Resources Committee by a vote of 7 to 3 on September 9, 2003, and is awaiting Assembly action.

County-opposed SB 125 (Chesbro), which would extend public safety workers' compensation benefits to county welfare fraud investigators, coroners and deputy coroners, received Senate concurrence with the Assembly amendments by a vote of 22 to 15 on September 11, 2003. It now proceeds to the Governor.

County-supported SB 130 (Chesbro) obtained Senate concurrence with Assembly amendments on September 10, 2003, and now proceeds to the Governor. SB 130 would declare legislative intent to achieve a reduction in the use of seclusion and behavioral restraints in mental health facilities and would require the State to develop technical assistance and training programs to achieve this reduction.

County-supported, if amended, SB 196 (Kuehl), which would change the way two members of the Regional Water Quality Control Board (RWQCB) are selected, making it possible for one county supervisor, and one mayor or city council member to be appointed to the RWQCB, was signed by the Governor on September 4, 2003.

County-supported SB 358 (Figueroa) obtained Senate concurrence with Assembly amendments on September 11, 2003, and now proceeds to the Governor. SB 358 would create the Vocational Nurse Education Program to provide scholarships, educational loans, and loan repayment programs for vocational nursing students.

County-opposed, SB 418 (Sher), which would repeal and replace the existing law regarding the process by which an agency obtains an agreement from the State Department of Fish and Game for the alteration of a streambed, was passed by the Assembly on September 8, 2003, by a vote of 47 to 32, and sent to the Senate for concurrence.

County-supported SB 469 (Scott), which would permit school districts to use its instructional materials budget for the visual and performing arts, foreign language, health, or any other curricular area, if it has provided each pupil with the legally-required instructional materials in language arts, reading, math, science, history, and social science, passed the Senate by a vote of 19 to 9 on September 11, 2003, after concurrence with the Assembly amendments. It now proceeds to the Governor.

County-supported SB 892 (Murray), which would require every public and private school to have restroom facilities that are open during school hours, maintained and cleaned regularly, fully operational, and stocked with soap and paper supplies, passed the Assembly on September 10, 2003 by a vote of 48 to 26, and now returns to the Senate for concurrence in Assembly amendments.

County-supported SCR 5 (Scott), which would declare the Legislature's acknowledgement and support of standards-based instruction in the visual and performing arts in all California public schools, pre-kindergarten through grade 12 inclusive, was adopted by the Senate on August 28, 2003, and chaptered by the Secretary of State on September 5, 2003.

We will continue to keep you advised.

DEJ:GK
MAL:JR:EW:JL:MS:ib

c: Executive Officer, Board of Supervisors
 County Counsel
 Local 660
 All Department Heads
 Legislative Strategist
 Coalition of County Unions
 California Contract Cities Association
 Independent Cities Association
 League of California Cities